



United States  
Department of  
Agriculture

Office of the Chief  
Information Officer

1400 Independence  
Avenue SW

Washington, DC  
20250

MAR 15 2004

TO: Agency Heads

FROM: Scott Charbo  
Chief Information Officer

SUBJECT: USDA Capital Planning and Investment Control – Portfolio Management

The proposed Investment Year (IY) 2005 USDA Information Technology (IT) Portfolio has more than 300 individual projects including 65 major investments at an estimated cost of about \$1.75 billion. These numbers represent a significant reduction in the overall IT budget and number of projects from previous years. Now is the time to build upon last year's efforts and continue to reduce the number of investments as well as enhance our management capability of the entire USDA portfolio. This effort may take many forms, including:

- Terminating investments that are no longer efficient or do not meet mission goals;
- Seeking opportunities to have administrative and other functions that occur in multiple mission areas performed by other agencies; and
- Consolidating investments within the portfolio where multiple small investments support a particular mission, or where multiple small investments support different facets of a mission or function.

At the department level, continued enhancement of our ability to manage the entire USDA IT portfolio remains at the top of our list. To that end, we have acquired the WorkLenz Project/Portfolio Management tool to help us move forward in this effort and we will be piloting the use of the tool during this investment cycle. During the pilot we will use WorkLenz for all of our reporting requirements. Some of the notable WorkLenz action items for agencies are noted below and more specific details about using WorkLenz will be released over the coming months.

In addition to overall portfolio management activities, security of all IT systems in the Department continues to be one of our highest priorities. This year our emphasis will be on the Certification and Accreditation (C&A) required for all existing IT systems. **It should be noted that major investments that have not shown progress towards completion of C&A, or have not met other minimum Office of Management and Budget (OMB) requirements, will not be submitted to OMB as part of the USDA portfolio. Additionally, no development, modernization, or enhancement spending will be permitted for these investments.**

The following action items will enable USDA to continue its effort to reduce the overall number of investments and improve the management of investments in the portfolio.

**Agency Action Items to be completed by March 31, 2004:**

- Update all initiatives in the Information Technology Investment Portfolio System (I-TIPS) with fiscal year (FY) 2004 and 2005 passback numbers. My staff is working

now to evaluate what data will be migrated from I-TIPS and from the current Exhibits to WorkLenz. Detailed instructions on entering data into WorkLenz will be provided in a future memorandum.

- Add any investments planned or underway for FY 2004 funds that are not currently recorded.
- Provide all plans for ongoing and future C&A activities in WorkLenz. Based on FY 2005 OMB passback language, no development or enhancement funds may be expended until these plans are in place and funding is identified.

**Agency Action Items to be completed by May 3, 2003, for the FY 2006 cycle:**

- Submit an Exhibit 300 for all new and existing major investments to my office. Agencies should review their investment portfolios against the USDA criteria for inclusion in the major investment portfolio and ensure that an Exhibit 300 is prepared for all investments that meet those criteria. In addition to the Exhibit 300, agencies are reminded to submit all required supporting documentation appropriate to the phase of the investment. Consult the Capital Planning and Investment Control Guide or your mission area representative if you have questions about required documentation or about whether an investment should be designated major.
- Project Plans for all major investments will be entered in WorkLenz. This will assist in our efforts to track earned value management statistics and manage investments at the portfolio level.
- USDA will once again consolidate Infrastructure, office automation, and telecommunications (IOAT) investments into an enterprise-wide Exhibit 300. However, agencies are reminded to submit Exhibit 300s for IOAT investments designated as major for internal review purposes.
- The Office of the Chief Information Officer (OCIO) has identified additional agency investments that meet the criteria for major investments, but have not previously been included in the major investment portfolio (see Attachment I). Prepare an Exhibit 300 for each of these investments.
- There are a number of common/enterprise-wide investments that are currently ongoing or planned for the future. Agencies that participate in these activities will need to contribute to the development of a single, consolidated USDA Exhibit 300. These investments activities are listed on Attachment I along with the identified lead agency.
- Review current investments and consolidate investments with lifecycle costs less than \$500,000. Do not name them "Other" or "Miscellaneous." Eliminate investments that are inactive (with zero investment dollars listed for FY 2004 and onward).
- Remove agency contributions to the Office of the Chief Financial Officer (OCFO) Financial Systems at the National Finance Center from agency portfolios. OCFO is responsible for reporting Administrative/ Financial Systems resident at the center as well as the source of funds for these investments.

OCIO and the USDA Executive Information Technology Investment Review Board will use the Exhibit 300 and supporting documentation during the FY 2006 investment review process. Agencies will be provided with guidance on preparation of final Exhibit 300s for submission to OMB at a later date. We expect that final Exhibit 300s will be due to OCIO in mid-August and will be sent to OMB in early September. (See Attachment II for tentative calendar for IY 2006 cycle.)

**Agency Action Items to be completed by early July 2004, for the FY 2006 cycle:**

- Financial information supporting the entire IT portfolio request for IY 2006 must be provided through WorkLenz. My staff is working now to evaluate what data will be migrated from I-TIPS and from the current OMB Exhibits. Detailed instructions on entering data into WorkLenz will be provided in a future memorandum.
- Budget for participation in Presidential (PI) and Smart Choice (SC) eGovernment initiatives, as well as agency-specific eGovernment initiatives. At a minimum, agencies should include costs in their eGovernment crosscuts for FY 2004, 2005, and 2006 for PI and SC Initiatives in which they participate or plan to participate, and Agency-specific eGovernment projects identified in eGovernment Tactical Plans.

Revised cost estimates for PIs for FY 2005 are included as Attachment III. These revisions are based on USDA's passback from OMB. Estimated costs for PIs and SCs for FY 2006 will be provided at a later date. In the case of PIs and SCs, the cost estimates are provided as the baseline. Agencies may incur additional costs to integrate agency applications with USDA's enterprise eAuthentication solution or may choose to obtain additional services offered through other USDA enterprise services. Agencies should include estimates for any additional agency-specific costs they may incur to implement the PIs and SCs. Agency-specific eGovernment initiatives should be reflected in the Agency eGovernment Tactical Plan. Agencies should also include any eGovernment costs they identify in this crosscut and revise eGovernment Tactical Plans to align accordingly.

- Prepare a cross-cut project in WorkLenz showing costs for the following items:
  - E-Government
  - IT Security
  - Geographic Information Systems and geospatial data.

Please call me at 720-8833 if you have questions about these issues or have a member of your staff contact Dan Stoltz at 720-9080.

**Attachments**

cc: James R. Moseley, Deputy Secretary  
Agency Chief Information Officers  
Agency Budget Officers

## NEW MAJOR INVESTMENTS

<u>Agency</u>	<u>Investment Name</u>
APHIS	Animal ID
APHIS	ePermits
RD	Correspondence Tracking System

## ENTERPRISE MAJOR INVESTMENTS

<u>Lead Agency</u>	<u>Investment Name</u>
Forest Service	Radios
OHRM	Human Resources System
OCIO	Enterprise Architecture
OCIO	Training (AgLearn)
OCIO	eAuthentication
OCIO	eDeployment
OCFO	Travel
CR	Civil Rights Enterprise System
FSA	Budget/Performance Integration
RD	Grants Management

## Investment Year 2006

EVENT	WHO	WHEN
All draft Exhibit 300s for CPIC Process due in WorkLenz	Agencies	May 3
Submit all required supporting CPIC documentation appropriate to the phase of each major investment to OCIO	Agencies	May 3
IT budget due in WorkLenz (Concurrent with Submission of Agency Budget Request to OBPA)	Agencies	Early July
OCIO Major System CPIC Recommendations Submitted to the E-Board	OCIO	Mid July
E-Board Major Investment & Portfolio Decisions	E-Board	Mid August
Final OMB Exhibits 53 and 300 due in WorkLenz	Agencies	Late August
Exhibits 53 and 300 Due to OMB	OCIO	Early Sept.
Receive OMB Passback	Department/ Agencies	November/ December
Revised Exhibits 53 and 300 Based on OMB Passbacks due in WorkLenz	Agencies	December 2004
Prepare Exhibits 53 and 300 for the President's Budget	OCIO	January 2005



## Attachment III

[illegible]

Address: [business@liverpool.ac.uk](mailto:business@liverpool.ac.uk)

Conclusions are based on the likelihood of averaging the contributions by PPIs and by a group of business-related firms (P' 2003).

Calculations for cross-agency, but not intrasite-wide, household-level participation in each initiative are shown in the supplemental Appendix on weighting the contribution of a given site to a given initiative across agencies.

A total of \$12,038 was requested by CMH for FY 05. Of the amount requested, \$6,656 is in cash and \$5332 is in kind contributions of staff for the CDS initiative. This is the only initiative for which in-kind or staff contributions are requested; all other programs are for cash only.

IT budget calculations based on the cost of agency (MYM75) spending on equipment, software, services, support services, and supplies. Moreover, RIT does not break down its contributions - CYM76 for agency but instead only by Mission Area. An allocation was given a 1/3 share here

By mutual agreement with OGC, USDAS FY 2014 and FY 2015 contribution amounts to American One Stop will include a 25% membership fee (paid by OGC) for participation in OASIS, a standards/policy setting organization created in the summer of this year.

Agency contributions are calculated based on the FY 2005 Funding Amounts listed in the Budget Tracker provided by CH2B.

The response Human Resources Integration has been added to UNCTAD's funding summary to reflect the information stated in Government Initiative Funding Report (06/23/01).